

MARGARET DONNELLAN TODD
COUNTY LIBRARIAN

January 30, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AUTHORIZE THE PUBLIC LIBRARY TO SUBMIT AN APPLICATION
FOR LIBRARY BOND ACT MATCHING GRANT FUNDS TO CONSTRUCT
THE LAWDALE LIBRARY PROJECT (2)
(4-VOTES)**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER AND
DIRECTOR OF PUBLIC WORKS THAT YOUR BOARD:**

1. Consider the Mitigated Negative Declaration (Attachment 6) for the Lawndale Library project, together with any comments received during the public review process, find that the project will not have a significant effect on the environment, find that the Mitigated Negative Declaration reflects the independent judgment of the County, and approve the Mitigated Negative Declaration.
2. Adopt the Mitigation Monitoring and Reporting Program (Attachment 7) to ensure compliance with project changes and conditions adopted to mitigate or avoid significant environmental effects.
3. Find that the project will have no adverse effect on wildlife resources and authorize Public Works to complete and file a Certificate of Fee Exemption for the project.
4. Approve the State grant application (Attachment 1) requesting State matching funds in the amount of \$6,584,224 (which represents 65% of eligible project costs) and authorize the Chair of the Board and the County Librarian to sign the application form.

5. Authorize the County Librarian, the Director of Public Works and the Chief Administrative Officer to complete and submit all required supporting documents and reports for the grant application.
6. Approve the grant project budget of \$10,976,846 for the Lawndale Library project.
7. Approve and authorize the Chair of the Board to sign the attached option agreement and memorandum of option agreement between the County and the City of Lawndale for the transfer of real property (Attachment 3).
8. Approve and authorize the Chair of the Board to sign the attached joint use cooperative agreement (Attachment 4) between the County and the Centinela Valley Union High School District.
9. Approve the resolution (Attachment 5) making certain certifications as required in the Bond Act regulations.
10. Authorize the County Librarian to act as agent for the County, and to conduct negotiations, execute documents, and submit other information as may be required in support of the grant project.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommendations will authorize the submittal of a grant application (Attachment 1) to the State for matching funds in the amount of \$6,584,224 under the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000 ("Bond Act") to construct the Lawndale Library project. If approved by your Board, the County Library will submit the grant application and required supporting documents to the State Library for the second grant application cycle deadline of March 28, 2003.

Approval of the recommendations will also authorize the Public Library, Department of Public Works, and Chief Administrative Office to complete and submit various reports and other documents required by the Bond Act regulations to support the grant application. On May 21, 2002 your Board approved \$326,000 in capital project funds to cover the initial project costs associated with preparing and submitting the grant application, including project management and consulting services.

Approval of the joint use cooperative agreement with the Centinela Valley Union High School District will make the County's grant application eligible for first priority consideration for funding by the Bond Act Board. This agreement provides for a jointly operated homework center and career center as part of the new library.

This project will replace the existing 3,203 square feet library facility with a new 17,360 square feet library and associated parking in the Lawndale Civic Center. The existing library is inadequate for the current service population, and is significantly undersized to serve the projected 2020 population of the service area. It is not economically feasible to renovate and expand the existing library due to building and site limitations.

The new library will be built on land in the civic center currently owned by the City of Lawndale which will be augmented by adjacent land owned by the County. The City land will be transferred to County ownership if the grant is awarded. Approval of the attached option agreement and memorandum of agreement is recommended to provide the County with an option to acquire the City land by exchanging a County-owned parcel which includes the now closed Lawndale Health Center and the Lawndale Library, consisting of 29,736 square feet, for a City-owned parcel consisting of 54,450 square feet at no cost to the County contingent on award of the grant.

Service improvements at the proposed new library include: a large adult reading area; a homework center and career center; a community meeting room to seat 75 people; a technology training room; a conference room with 10 seats; a small group study room; a young adult area with seating for 10 people and two multimedia listening/viewing stations; a spacious children's area with a dedicated storytelling area for up to 25 people; expanded reference collections; a dedicated room for the Friends of the Library; self-check machines near the front lobby; 37 public access computers; and an expanded collection of 86,250 books and audiovisual materials. If a grant is awarded, the book and materials collection in the existing Lawndale Library will be transferred to the replacement library when it opens, and will be augmented by the purchase of 20,000 additional items.

If a grant is awarded by the State for this project, we will return to the Board to accept the grant, award necessary contracts to begin the project, and approve any required appropriation adjustment to fund project costs. Notification of a grant award by the State is anticipated by November 2003.

Implementation of Strategic Plan Goals

Approval of this grant application is consistent with the County's Strategic Plan Goal of Fiscal Responsibility since construction of this facility represents an investment in public infrastructure. It is also consistent with the goal of Service Excellence since the proposed new facility will provide improved library service to the residents of the City of Lawndale. Approval is also consistent with the goal of Children and Families' Well-Being because the library will provide educational facilities and programs for enhancing educational workforce readiness.

FISCAL IMPACT/FINANCING

The net County cost for this project is \$2,066,903. The total project budget for purposes of the grant application is \$10,976,846, which includes an amount of \$2,229,000 for the appraised value of the site, and expenditures of \$96,719 incurred prior to the application date for architectural plans and drawings. The site value is not an actual cost to the County, but is included in the grant budget and allowed by the State as a credit against the County's local matching funds. The total credit of \$2,325,719 results in a net project cost of \$8,651,127.

Under the Bond Act regulations, the State will reimburse the County \$6,584,224 for 65% of eligible project costs. Eligible costs include site development; design and construction; furniture, fixtures and equipment; and related planning and project management costs. The County is responsible for providing \$4,392,622 which represents matching funds of 35% of eligible costs (\$3,545,352), plus all ineligible costs (\$847,270). Ineligible costs include the purchase of library books and materials, and site contingency costs not allowed as eligible project costs under the Bond Act regulations.

The allowable credit of \$2,325,719 (for pre-application costs and appraised value of land) results in a net County cost for the project of \$2,066,903. This net cost, (including the \$326,000 approved by the Board in May 2002) will be financed by available Second District capital project funds in the amount of \$1,567,000 and \$500,000 to be received from the City of Lawndale as part of the land transfer agreement. (Attachment 2 provides a summary of all costs associated with this project.)

Operating Budget Impact

The Bond Act commits the County to operate the library for a period of 40 years. If the State approves a grant award for this project, it is anticipated that the new facility will begin operation in November 2006, and funding for annual operating costs will not be required until that time. The annual operating cost for this new facility is currently estimated at \$747,000, based on the projected cost of staffing, support, facility maintenance and other operating costs that will be required. This represents a net increase of \$445,000 per year over the current annual operating cost for the existing Lawndale Library. The Public Library does not expect to have funds available in its operating budget to pay for the increased annual cost of operating the new facility, and will request additional funding for those costs beginning in Fiscal Year 2006-07.

In addition, one-time start-up costs of \$720,000 are required to purchase the library books and materials for the new facility's opening day collection to augment the collection in the

existing library. Funding for the purchase of those materials is part of the ineligible cost portion of the project budget referenced above. This amount is included in the available financing of the total net County costs, and would be required beginning in Fiscal Year 2005-06.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On March 7, 2000, California's voters approved Proposition 14, which established the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000, creating a \$350 million State bond program for construction and renovation of library facilities. The Bond Act provides grant funds to local library jurisdictions on a 65% State/35% local matching basis. Grant funds will be awarded on a competitive basis in three separate application and funding cycles. If approved by your Board, this grant application will be submitted for the second funding cycle.

The Bond Act regulations require the County to own a site, or have an option to acquire a site, for the proposed project at the time of application. Approval of the attached option agreement with the City of Lawndale (Attachment 3) will meet that requirement and provide the County with a binding option to acquire land currently owned by the City, by exchanging a County-owned parcel consisting of 29,736 square feet, for a City-owned parcel consisting of 54,450 square feet, for the proposed library project site at no cost to the County. The County-owned parcel to be exchanged for the City-owned parcel currently houses the Lawndale Health Center and the Lawndale Library. The Health Center was closed in October 2002 in the Department of Health Services curtailments. The library will remain opened until the new library is constructed. Exercise of the option by the County is contingent on the award of a grant by the State, and will result in payment of \$500,000 by the City to the County. This amount will be used to finance a portion of the County's net cost for the project. The agreement has been approved as to form by County Counsel and approved by the Lawndale City Council. The exchange of properties contemplated by the option agreement is authorized by Government Code Section 25365.

The City parcel that would be acquired by the County is former County park property that was transferred by the County to the City in 1963, subject to a condition that the property continue to be used for public park purposes and a reversionary interest in favor of the County is if it was not so used. Pursuant to Government Code Section 25550.7, your Board may approve the transfer of the park use condition to another property. The option agreement provides for the transfer of the condition and reversionary interest to the property that would be acquired by the City. The City intends to use that property for community/senior center purposes, which is a use consistent with the park use condition.

It is recommended that the Board approve the cooperative agreement (Attachment 4) with the Centinela Valley Union High School District to provide a jointly operated homework center and career center as part of the proposed library project. The Bond Act and the

associated State regulations provide first priority consideration for funding of projects where the agency that operates the library and one or more school districts have such a cooperative agreement. The agreement has been approved as to form by County Counsel and approved by the school board for the district. This joint use program includes: a homework center for elementary and middle school students with six computers and 12 seats; and a career center for middle and high school students with 10 seats and four computers that provide career, educational and resume preparation software.

The Bond Act regulations require that the Board of Supervisors adopt a resolution taking certain actions in support of the County's grant application for this project. These actions include: certification of the project budget; certification of the accuracy and truthfulness of all information submitted in the application form and supporting documents; a commitment to provide the 35% local matching funds; a commitment to provide the supplemental funds necessary to complete the project at the level stated in the library project budget; a commitment to make available the local matching funds and supplemental funds when needed to meet the cash flow requirements of the project; a commitment that the County will operate the completed facility and provide public library direct service; and a commitment to dedicate the facility to public library direct service for a period of 40 years following completion of the project. The attached resolution (Attachment 5) has been approved as to form by County Counsel and conforms to the Bond Act regulations.

ENVIRONMENTAL DOCUMENTATION

As required by the California Environmental Quality Act, a draft Mitigated Negative Declaration was prepared for this project and circulated for agency and public review on December 20, 2002. The review period ended on January 20, 2003. Comments received during the review period and responses to the comments are contained in the Mitigated Negative Declaration (Attachment 6).

Proposed mitigation measures relative to aesthetics; cultural resources; geology and soils; hazardous materials; hydrology and water quality; noise; and utilities and service systems have been included as a part of the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program (Attachment 7). The Mitigated Negative Declaration has concluded that the project will not have a significant effect on the environment.

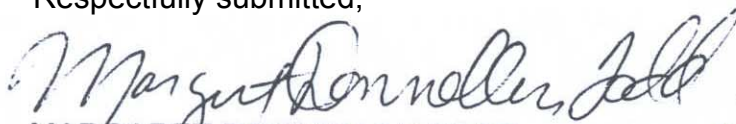
A fee must be paid to the State Department of Fish and Game when certain notices required by CEQA are filed with the County Clerk. The County is exempt from paying this fee when your Board finds that a project will have no impact on wildlife resources. The Mitigated Negative Declaration concluded that there will be no adverse effects on wildlife resources. Following approval of the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program by your Board, Public Works will file a Certificate of Fee Exemption with the County Clerk. A \$25 handling fee will be paid to the County Clerk

CONCLUSION

The Bond Act provides a unique opportunity to obtain State matching funds for the construction of a new library to serve residents of the City of Lawndale who are not adequately served by the existing undersized and crowded facility. It is therefore requested that your Board approve this grant application which will allow the Public Library to seek construction funds that would not otherwise be available to build a needed library facility at a reduced cost to the County.

Please return an adopted copy of this letter to the Public Library, Department of Public Works, and Chief Administrative Office-Capital Projects Division. In addition, please return the following to the Public Library for further processing: a fully conformed original of the grant application form with original signatures; three fully conformed copies of the joint use cooperative agreement with original signatures; two fully conformed copies of the option agreement and memorandum of option agreement with original signatures; a fully conformed copy of the Resolution.

Respectfully submitted,



MARGARET DONNELLAN TODD
County Librarian



JAMES A. NOYES *for*
Director of Public Works



DAVID E. JANSSEN
Chief Administrative Officer

MDT:DF:

Attachments

C: County Counsel
Executive Office, Board of Supervisors